TITLE 312 NATURAL RESOURCES COMMISSION

Notice of Public Hearing

LSA Document #12-514

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on November 19, 2012, at 10:00 a.m., at the Indiana Government Center North, 100 North Senate Avenue, Room N501, Indianapolis, Indiana, the Natural Resources Commission will hold a public hearing on proposed amendments to 312 IAC 18-3-14 to add LaPorte County and St. Joseph County to the listing of counties declared to be infested with and subject to the gypsy moth quarantine and to update cross-references to statutes governing horticulture products.

IC 4-22-2-24(d)(3) Justification Statement: The gypsy moth is a serious pest of North American forests. This insect feeds on over 500 different species of plants. Large populations of caterpillars are capable of defoliating entire forests. Several years of defoliation in addition to other stresses on the trees can lead to a high percent of tree mortality in the forest. There are 4.5 million acres of forests in Indiana. All of these acres are at risk from gypsy moth. The estimated contribution of forest to the Indiana economy is eight billion dollars annually. Currently there are seven counties quarantined for gypsy moth. Education and regulatory work consistent with the rule being proposed are excellent and necessary tools to prevent long range artificial spread of this pest.

The primary benefit of the proposed rule is a reduction in artificial spread of the gypsy moth and in the need to incur the eradication costs for isolated infestations. The reduction of spread of this pest directly correlates to a reduced mortality of trees in urban and rural settings outside the quarantined area. Fewer trees infested with gypsy moth equates to less removal of dead trees for private homeowners, less value loss to the timber industry, and increased value to existing habitat in Indiana's natural resources and forests. Secondary benefits to the proposed rule include increased awareness of the damage that invasive pests like the gypsy moth have on the natural resources, the industry and the public; advances in forest management techniques; and improvement in conducting forestry business operations. From improvement in business operations, another benefit is the maintenance of trade of materials between counties, states, and international entities.

Regulated entities subject to this rule include Nurseries, Primary Sawmills, Campgrounds, Firewood Producers/Retailers, Moving Companies, the Mobile Home Industry, RV Industry, Boat Retailers, Certified Pesticide Applicators, and any individual moving regulated materials. The estimated number of entities that will be affected by this rule is approximately 184 businesses in the counties that are proposed for addition to the quarantine. The total potential economic impact to all businesses in the proposed quarantined area is \$281,040. It is impossible to account for every individual in these counties that may move regulated materials; however, through outreach and education efforts, the DNR will attempt to notify members of the public of the rule and its impact on movement. The estimated fiscal impact to state government for the quarantined counties is \$15,708 if all businesses need and implement a compliance agreement. Impact to the state will primarily be in the creation and administration of compliance agreements with each business. This analysis is based on the assumption that every business in the guarantined area would require a compliance agreement and utilize regulated materials. It is the opinion of the DNR that in reality only 1/2 to 3/4 of the businesses analyzed in the proposed quarantine area would require a compliance agreement, which would significantly reduce the potential economic impact to the businesses and the state in the guarantined area.

Copies of these rules are now on file at the Indiana Government Center North, 100 North Senate Avenue, Room N501 and Legislative Services Agency, Indiana Government Center North, 100 North Senate Avenue, Room N201, Indianapolis, Indiana and are open for public inspection.

> Bryan W. Poynter Chairman Natural Resources Commission

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